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50X1-HUM

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Shih-pao.

## CADRES MISUSE FUNDS, MALTREAT MASSES

The fear, often expressed, that Communists coming into the rich regions surrounding Shanghai would become soft, corrupt, and insolent, has in many cases come true.

During last spring's famine, a Communist official in Ch'ang-chou mobilized 1,000 men and used 800 piculs of public grain to build handsome gardens and an estate for himself. In Chu-yung, local cadres collect fees for multifarious public services. In Nanking, the head of a state-owned enterprise embezzled 30 million yuan and spent it in riotous debauchery; on being called to account by his superiors he did some "introspection" and the matter was dropped. In Ch'ang-chou, three men in the tax office conspired to allow certain tobacco, liquor, and gambling merchants to evade taxes, receiving therefor 300 ounces of gold. Through a quarrel over the division of spoils, the matter came to the ears of their superiors. The matter was settled by the gold being put into the People's Bank, and the offenders making a "frank confession."

Here are some other well-known instances:

The Li Tsung-wen affair in the town of Li-li, near Soochow, was never mentioned in the newspapers behind the bamboo curtain, but is vouched for by eyewitnesses.

On the second day of the new lunar year, Cadre Li of the town of Li-li called an "assembly of the masses." Most of the people, surfeited with meetings, went to a nearby theater to see the show, and only a very few went to the assembly. Li, enraged and feeling that he was now losing face, gathered his bodyguard and went in full military regalia to the theater, where he ordered the performance stopped. The crowd was forced to go to the hall where Li held a meeting. While the local party secretary was harranguing the crowd did not applaud "as prescribed." Li's anger increased as he ordered the crowd to "shout slogans" and very few responded. Li's wrath mounted; to be berated and kicked the people; finally he snatched up his gun and fired at the people, killing 17 persons and wounding 31.

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The Chinese Communist officials sent men to investigate, who merely said that Li was ambitious and acted hastily. It was decided that he should be lectured, "given another post, and further investigated." Thus, the matter was closed.

In Soochow, Cadre Li T'ien-hsing, head of the office of education in the local people's government, went to a movie theater on the evening of 8 July. The house was full, but Li and his guards forced their way in and tried to drive out three persons who had excellent seats. To their surprise, these persons dared argue with Li who became very angry and denounced them as reactionaries and KMT agents. Li ordered his guards to take them to the city hall for "judgment," and when the three refused to go, the guards opened fire, killing one and wounding the other two.

The Communist head of south Kiangsu could not stomach this crime, so he transferred Li to another locality to continue "serving the people."

In Wu-chin Hsien, the cadres repairing dikes this summer became frightened by the threatening floods, and one night issued orders calling for workers from every house and money for substitutes from those who could not work. The people were enraged and gathered in a great crowd at the hsien office to appeal. The hsien official tried to stop them with armed guards. The maddened people would not listen to reasons but pushed forward. According to the story, a guard fired in self-defense and the crowd resisted, also in self-defense. The outcome was 375 killed and wounded.

Investigators from the hsien office said that this incident was "incited by KMT agents," and the killing and wounding of this large number of people was not to be regretted. The matter was closed without anyone being punished.

The area around Feng-ch'eng, near Sung Chiang is a cotton-growing district. The Communists, wishing to increase production, set up a Cotton-Improvement Station and ordered the cadres to push the planting of K'o-tzu cotton. The cadres gathered some ignorant militia and raw youth to form a New Democracy Youth Corps, and, in the night, pulled up cotton plants already set in 600 mou. Following this, they wanted the people to buy and plant K'o-tzu seed. The simple peasants, under coercion, had to do as ordered.

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